

TO: BOARD OF DIRECTORS
FROM: DON SPAGNOLO
GENERAL MANAGER
DATE: AUGUST 19, 2010



CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item be removed. If discussion is desired, the item will be removed from the Consent Agenda and will be considered separately.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda.**

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) BOARD MEETING MINUTES OF AUGUST 11, 2010 [RECOMMEND APPROVAL]
- D-3) 2010 CONFLICT OF INTEREST CODE BIENNIAL NOTICE [RECOMMEND APPROVAL]
- D-4) AECOM CONTRACT AMENDMENT TO COMPLETE WATERLINE INTERTIE PROJECT DESIGN [RECOMMEND APPROVAL]
- D-5) CHECK SIGNING POLICY [RECOMMEND APPROVAL]

TO: BOARD OF DIRECTORS
 FROM: DON SPAGNOLO
 GENERAL MANAGER
 DATE: AUGUST 20, 2010

AGENDA ITEM
D-1
AUGUST 25, 2010

**TOTAL COMPUTER
 CHECKS**
\$ 212,222.81

HAND WRITTEN CHECKS

08-09-10	20148	MICHAEL WINN	SOUTHLAND WWTF UPGRADE COMMITTEE	100.00
08-09-10	20149	JAMES HARRISON	SOUTHLAND WWTF UPGRADE COMMITTEE	100.00
08-09-10	20150	LARRY VIERHEILIG	WATER CONSERVATION COMMITTEE	100.00
08-11-10	20151	SOUTH COUNTY SANITARY	TAX LIEN REMITTANCE	604.50
08-11-10	20152	YEGY VAHABIAN	REIMBURSEMENT FOR SUPPLIES	19.54
08-11-10	20153	RABOBANK	PETTY CASH	186.48
08-25-10	20154	RICHARD SHERIDAN	TURF REPLACEMENT REBATE	500.00

VOID - 18195, 18255, 18337, 18355, 18356

COMPUTER GENERATED CHECKS

18343	08/20/10	CAL19	CALIFORNIA STATE DISBURSE	344.76	.00	344.76	B00816	WITHHOLDING ORDER
18344	08/20/10	EMP01	EMPLOYMENT DEVELOP DEPT	1352.16	.00	1352.16	B00816	STATE INCOME TAX
18345	08/20/10	FRA01	FRANCHISE TAX BOARD	125.00	.00	125.00	B00816	WITHHOLDING ORDER
18346	08/20/10	MID01	RABOBANK-PAYROLL TAX DEPO	3685.56	.00	3685.56	B00816	FEDERAL INCOME TAX
				42.38	.00	42.38	1B00816	FICA
				1021.72	.00	1021.72	2B00816	MEDICARE (FICA)
			Check Total.....:	4749.66	.00	4749.66		
18347	08/20/10	MID02	RABOBANK-DIRECT DEPOSIT	28304.47	.00	28304.47	B00816	NET PAY
18348	08/20/10	PER01	PERS RETIREMENT	8659.25	.00	8659.25	B00816	PERS PAYROLL REMITTANCE
18349	08/20/10	STA01	ING-PERS 457 DEFERRED COM	875.00	.00	875.00	B00816	457 DEFERRED COMP
018350	08/20/10	EBY01	EBY, ED	100.00	.00	100.00	082010	STUDY SESSION 08-20-10
018351	08/20/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	082010	STUDY SESSION 08-20-10
018352	08/20/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	082010	STUDY SESSION 08-20-10
018353	08/20/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	082010	STUDY SESSION 08-20-10
018354	08/20/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	082010	STUDY SESSION 08-20-10
018357	08/20/10	MCE01	MCEWEN, MALCOLM	2400.00	.00	2400.00		REPLACEMENT CHECK

**NIPOMO COMMUNITY SERVICES DISTRICT
WARRANTS AUGUST 25, 2010**

**AGENDA ITEM
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PAGE TWO**

018358	08/25/10	ABA01	ABALONE COAST BACTERIOLOG	105.00	.00	105.00	10-1728	LAB TEST-SOUTHLAND WWTP
				105.00	.00	105.00	10-1869	LAB TEST-SOUTHLAND WWTP
				137.00	.00	137.00	10-1870	LAB TEST-SOUTHLAND WWTP
				70.00	.00	70.00	10-1871	LAB TEST-BL WWTP
				97.00	.00	97.00	10-1872	LAB TEST-SOUTHLAND WWTP
				105.00	.00	105.00	10-1988	LAB TEST-SOUTHLAND WWTP
				97.00	.00	97.00	10-1989	LAB TEST-SOUTHLAND WWTP
				20.00	.00	20.00	10-2068	LAB TEST-BL WWTP
				120.00	.00	120.00	10-2069	LAB TEST-WATER
				20.00	.00	20.00	10-2087	LAB TEST-BL WWTP
				175.00	.00	175.00	10-2088	LAB TEST-WATER SAMPLES
				176.00	.00	176.00	10-2109	LAB TEST-SOUTHLAND WWTP
				124.00	.00	124.00	10-2110	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2111	LAB TEST-BL WWTP
				105.00	.00	105.00	10-2112	LAB TEST-SOUTHLAND WWTP
				97.00	.00	97.00	10-2113	LAB TEST-SOUTHLAND WWTP
				20.00	.00	20.00	10-2147	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2165	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2193	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2224	LAB TEST-BL WWTP
				175.00	.00	175.00	10-2225	LAB TEST-WATER SAMPLES
				67.00	.00	67.00	10-2248	LAB TEST-SOUTHLAND WWTP
				20.00	.00	20.00	10-2249	LAB TEST-BL WWTP
				124.00	.00	124.00	10-2250	LAB TEST-BL WWTP
				176.00	.00	176.00	10-2251	LAB TEST-SOUTHLAND WWTP
				20.00	.00	20.00	10-2278	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2303	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2328	LAB TEST-BL WWTP
				175.00	.00	175.00	10-2329	LAB TEST-WATER SAMPLES
				20.00	.00	20.00	10-2357	LAB TEST-BL WWTP
				124.00	.00	124.00	10-2389	LAB TEST-BL WWTP
				105.00	.00	105.00	10-2391	LAB TEST-SOUTHLAND WWTP
				176.00	.00	176.00	10-2392	LAB TEST-SOUTHLAND WWTP
				20.00	.00	20.00	10-2393	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2426	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2439	LAB TEST-BL WWTP
				20.00	.00	20.00	10-2465	LAB TEST-BL WWTP
				175.00	.00	175.00	10-2466	LAB TEST-WATER SAMPLES
				20.00	.00	20.00	10-2477	LAB TEST-BL WWTP
			Check Total.....:	3150.00	.00	3150.00		
018359	08/25/10	AIR01	AIR POLLUTION CONTROL	741.76	.00	741.76	13238	PERMIT-SOUTHLAND WWTP
018360	08/25/10	AME03	AMERI PRIDE	114.49	.00	114.49	150352	UNIFORMS
				126.07	.00	126.07	155986	UNIFORMS
			Check Total.....:	240.56	.00	240.56		
018361	08/25/10	ATT01	AT&T/MCI	185.28	.00	185.28	1546283	TELEPHONE
018362	08/25/10	BLU02	BLUE SHIELD OF CALIFORNIA	836.55	.00	836.55	SEPT 2010	COBRA SUBSIDY-SEPTEMBER
018363	08/25/10	BOG01	BOGNUDA, LISA	50.00	.00	50.00	081710	ELECTION NIGHT LOCK UP
				78.11	.00	78.11	B00817	SUPPLIES REIMBURSEMENT
				36.96	.00	36.96	B00819	OFFICE SUPPLIES
			Check Total.....:	165.07	.00	165.07		
018364	08/25/10	BRE02	BRENNTAG PACIFIC INC.	372.51	.00	372.51	BPI022433	SODIUM HYPOCHLORITE
				682.05	.00	682.05	BPI022434	SODIUM HYPOCHLORITE
			Check Total.....:	1054.56	.00	1054.56		
018365	08/25/10	CAN02	CANNON ASSOCIATES	795.00	.00	795.00	49101	SCADA REPAIR
				615.00	.00	615.00	49102	LA MIRADA L/S
				440.00	.00	440.00	49103	STANDPIPE SCADA
				110.00	.00	110.00	49104	TRANSDUCER
				2205.32	.00	2205.32	49105	SUNDALE SCADA
				1610.00	.00	1610.00	49106	VIA CONCHA SCADA
				1650.00	.00	1650.00	49107	SCADA SERVER REPAIR
				3906.01	.00	3906.01	49191	WILLOW ROAD PHASE 2
				3982.90	.00	3982.90	49192	WILLOW ROAD PHASE 1
				1410.00	.00	1410.00	49196	QUAD TANK SITING
			Check Total.....:	16724.23	.00	16724.23		
018366	08/25/10	CIT01	CITY NATIONAL BANK	65038.50	.00	65038.50	B00819	DEBT SERVICE-A/D 93-1
018367	08/25/10	DEW01	J B DEWAR INC	259.28	.00	259.28	920557	DEEP WELL OIL
018368	08/25/10	DKF01	DKF SOLUTIONS GROUP, LLC	350.00	.00	350.00	1145	SAFETY SUBSCRIPTION
018369	08/25/10	EBY01	EBY, ED	100.00	.00	100.00	082510	REGULAR BOARD MEETING 08-
018370	08/25/10	FER01	FERGUSON ENTERPRISES INC	-104.51	.00	-104.51	1742181C	CREDIT-RETURNED ITEM
				554.66	.00	554.66	6302012	PRESSURE VALVE
				129.90	.00	129.90	6379674	GASKET
			Check Total.....:	580.05	.00	580.05		

**NIPOMO COMMUNITY SERVICES DISTRICT
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**AGENDA ITEM
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018371	08/25/10	FLU01	FLUID RESOURCE MANAGEMENT	120.71	.00	120.71	W2645	TROUBLESHOOT GRINDER
018372	08/25/10	FUG01	FUGRO WEST, INC.	2165.00	.00	2165.00	3596.5-19	PASQUINI PHASE 2
018373	08/25/10	GAR01	GARING TAYLOR & ASSOC	2247.50	.00	2247.50	10719	WIP PEER REVIEW
018374	08/25/10	GER01	GERMAN, SCOTT	236.28	.00	236.28	B00817	PER DIEM-TRAINING CLASS
018375	08/25/10	GIB01	GIBBS INTERNATIONAL	313.87	.00	313.87	37060	REPAIR
018376	08/25/10	GWA01	GWA INC	50.00	.00	50.00	B00817	ACCESS CODE UPDATE
018377	08/25/10	HAC01	HACH COMPANY	526.75	.00	526.75	6859640	LAB SUPPLIES
018378	08/25/10	HAM02	HAMNER JEWELL & ASSOCIATE	5719.64	.00	5719.64	4957	WATERLINE INTERTIE PROJE
018379	08/25/10	HAR02	HARRISON, JAMES	100.00	.00	100.00	082510	REGULAR BOARD MEETING 08-
018380	08/25/10	LIN02	LINC DELIVERY	257.00	.00	257.00	JULY 2010	LAB DELIVERY
018381	08/25/10	MIN02	MINER'S ACE HARDWARE	583.13	.00	583.13	JULY 2010	SUPPLIES
018382	08/25/10	MOR02	MORE OFFICE SOLUTIONS	655.27	.00	655.27	571747	COPIER MAINTENANCE
018383	08/25/10	MUN03	MUNICIPAL MAINTENANCE EQU	327.15	.00	327.15	61522	LEADER HOSE
018384	08/25/10	NEL01	NELSON, WILLIAM J	100.00	.00	100.00	082510	REGULAR BOARD MEETING 08-
018385	08/25/10	OFF01	OFFICE DEPOT	132.10	.00	132.10	3932001	OFFICE SUPPLIES
				254.42	.00	254.42	6922001	OFFICE SUPPLIES
			Check Total.....:	386.52	.00	386.52		
018386	08/25/10	PRO02	PRO CARE JANITORIAL SUPPL	127.53	.00	127.53	39504	SUPPLIES
018387	08/25/10	QUI04	QUINN POWER SYSTEMS	1726.10	.00	1726.10	4643	GENERATOR MAINTENANCE
				774.27	.00	774.27	4644	GENERATOR MAINTENANCE
			Check Total.....:	2500.37	.00	2500.37		
018388	08/25/10	RIC01	RICHARDS, WATSON, GERSHON	45.00	.00	45.00	173067	WATER RIGHTS LIGITGATION
018389	08/25/10	SAI01	SAIC	7208.00	.00	7208.00	956378	NMMA JULY
018390	08/25/10	SAN01	SANTA MARIA TIRE INC	54.94	.00	54.94	458231	OIL CHANGE
018391	08/25/10	SAN09	SAN LUIS MAILING SERVICE	56.69	.00	56.69	213807	MAIL LATE NOTICES
				128.17	.00	128.17	213836	MAIL BILLS
				242.44	.00	242.44	213807P	POSTAGE FOR LATE NOTICES
				658.26	.00	658.26	213836P	POSTAGE FOR BILLS
			Check Total.....:	1085.56	.00	1085.56		
018392	08/25/10	SPE03	SPECIALTY CRANE & RIGGING	300.00	.00	300.00	38236	CERTIFICATION OF CRANE
018393	08/25/10	TAF01	TAFT ELECTRIC	4322.85	.00	4322.85	3061M	PREVENTIVE MAINTENANCE
				5172.91	.00	5172.91	30663	STANDPIPE SENSOR
			Check Total.....:	9495.76	.00	9495.76		
018394	08/25/10	THE04	THE DOOR GUY	1220.00	.00	1220.00	1658	WINDOW/DOOR REPAIRS
				938.00	.00	938.00	1658D	LAB DOOR
			Check Total.....:	2158.00	.00	2158.00		
018395	08/25/10	VIE01	VIERHEILIG, LARRY	100.00	.00	100.00	082510	REGULAR BOARD MEETING 08-
018396	08/25/10	WAL01	WALLACE GROUP	4281.72	.00	4281.72	30406	SEWER USE-BUSINESS SURVEY
				449.50	.00	449.50	30407	FOG OUTREACH/INSPECTION
			Check Total.....:	4731.22	.00	4731.22		
018397	08/25/10	WAT04	WATER ENVIRONMENT FEDERAT	217.00	.00	217.00	1813916	MEMBERSHIP-GRIETENS
018398	08/25/10	WES05	WESTAMERICA BANK	23607.16	.00	23607.16	B00819	LEASE PMT-VACCON TRUCK
018399	08/25/10	WIN01	WINN, MICHAEL	100.00	.00	100.00	082510	REGULAR BOARD MEETING 8-2
018400	08/25/10	WOO01	DOUGLAS WOOD & ASSOCIATES	2163.06	.00	2163.06	B00817	SOUTHLAND WWTP UPGRADE
018401	08/25/10	WSC01	WSC	12604.25	.00	12604.25	165	UWMP UPDATE PROGRESS BILL

NIPOMO COMMUNITY SERVICES DISTRICT

Celebrating 45 Years of Service 1965 - 2010

DRAFT MINUTES

AUGUST 11, 2010 AT 9:00 A.M.

BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

D2

BOARD of DIRECTORS

JAMES HARRISON, **PRESIDENT**
LARRY VIERHEILIG, **VICE PRESIDENT**
MICHAEL WINN, **DIRECTOR**
ED EBY, **DIRECTOR**
BILL NELSON, **DIRECTOR**

PRINCIPAL STAFF

DON SPAGNOLO, **GENERAL MANAGER**
LISA BOGNUDA, **ASSIST. GENERAL MANAGER**
MERRIE WALLRAVIN, **SECRETARY/CLERK**
JON SEITZ, **GENERAL COUNSEL**
PETER SEVCIK, **DISTRICT ENGINEER**

Mission Statement: The Nipomo Community Services District's mission is to provide its customers with reliable, quality, and cost-effective services now and in the future.

00:00:00

A. CALL TO ORDER AND FLAG SALUTE:

President Harrison called the Regular Meeting of August 11, 2010, to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL

At Roll Call, all Board members were present.

00:02:01

C. PRESENTATIONS AND PUBLIC COMMENT

C-1) PHONE CONFERENCE WITH GREG BURNS

Update re: Lobbying for Federal funds

Greg Burns, Van Scoyoc Associates, reported via telephone conference that NCSD Waterline Project will not be included in the House or Senate Bills for federal funding.

C-2) SHERIFF COMMANDER KEN CONWAY

Update re: South County Law Enforcement Activities

Commander Conway was unable to attend this meeting and will give his report at a meeting next month.

C-3) CAL FIRE BATTALION CHIEF BILL FISHER

Update re: South County Cal Fire Activities

Captain Michael DeLeo gave an update in place of Battalion Chief Bill Fisher and reviewed the activity report for July 2010.

Some of the information in the report includes:

In July 2010, Nipomo Station #20 had a total of 115 calls: 10 fire calls, 13 vehicle accidents, 74 medical aids and 18 other calls.

Mesa Station #22 had a total of 44 calls: 1 fire call, 4 vehicle accidents, 25 medical aids and 14 other calls.

He reported that Nipomo-Paid Call Firefighters trained on Rapid Intervention Crews and Size-up.

He reported they are working on LE-100 (wild land inspections) and business inspections.

BBQ Fundraiser to benefit Firefighter Garon Coalwell's wife Sunday, September 5, 2010, 9:00 a.m. at Pozo Saloon. Mrs. Coalwell is a young mother with cancer.

The Board thanked Captain DeLeo for the report.

C-4) MIKE NUNLEY OF AECOM

Update re: Southland Wastewater Treatment Plant Upgrade

Mike Nunley, AECOM Engineering Project Manager, reviewed the report in the Board packet and answered questions from the Board.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

The Board requested Mr. Nunley to submit a project budget via email.
There was no public comment. The Board thanked Mr. Nunley for the report.

C-5) NCSD DISTRICT ENGINEER PETER SEVCIK

Update re: Recent Activities

Peter Sevcik, District Engineer, reviewed the report as presented in the Board packet.
Peter Sevcik and Dale Ramey, County Public Works Division, answered questions from the Board. The Board thanked Mr. Sevcik for the report. There was no public comment.

C-6) DIRECTORS' ANNOUNCEMENTS OF DISTRICT & COMMUNITY INTEREST
Receive Announcements from Directors Items of District & Community Interest

Director Winn

- ◇ There will be no Water Resources Advisory Committee (WRAC) meeting this month.
- ◇ July 29, 2010 – At the SLO Board of Supervisors meeting the Planning Department presented their priorities.
- ◇ August 10, 2010 – The SLO Board of Supervisors gave staff direction on a draft temporary event ordinance.
- ◇ August 17, 2010 – Election Day.
- ◇ August 20, 2010, 10:00 am. – study session to discuss the uses of the Solid Waste Franchise Fee.

Director Eby

- ◇ Nipomo Mesa Management Area Technical Group will meet September 9, 2010, from 10:00 a.m. - 12:00 p.m. at NCSD.
- ◇ There will be no LAFCO meeting this month.
- ◇ August 24, 2010 – The Board of Supervisors will be considering the appeal of the medical marijuana dispensary in Nipomo.

Director Nelson

- ◇ August 11, 2010 – Nipomo Chamber of Commerce Mixer from 5:00 p.m. – 7:00 p.m. at 1184 E. Grand Ave., Arroyo Grande.
- ◇ August 12, 2010 – California Sushi & Teriyaki will hold a ribbon cutting at 2:30 p.m.
- ◇ August 14, 2010 – Kick-off Fundraiser for Relay for Life from 11:00 a.m. – 2:00 p.m.

Director Harrison

- ◇ August 21, 2010 – Hospice Fundraiser at Hearst Castle.
- ◇ October 23, 2010 – South County Women Shelter Fundraiser.
- ◇ October 29, 2010 – Nipomo Community Park October Fest.
- ◇ August 11, 2010 - last day to submit application to run for the NCSD Board of Directors.

C-7) PUBLIC COMMENT ON ITEMS NOT ON AGENDA

There was no public comment.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

00:53:41

D. CONSENT AGENDA

- D-1) APPROVE WARRANTS
- D-2) APPROVE BOARD MEETING MINUTES
Approve minutes of July 28, 2010
- D-3) APPROVE AGREEMENT WITH SAN LUIS OBISPO COUNTY TO CONSTRUCT WATERLINE AS PART OF THE WILLOW ROAD PHASE 2 PROJECT
- D-4) APPROVE AECOM CONTRACT ASSIGNMENT
- D-5) AECOM TASK ORDER FOR THE FRONTAGE ROAD TRUNK SEWER PROJECT
- D-6) DOUGLAS WOOD & ASSOCIATES TASK ORDER FOR THE FRONTAGE ROAD TRUNK SEWER PROJECT
- D-7) FUGRO WEST TASK ORDER TO PERFORM SUPPLEMENTAL GROUNDWATER MODELING OF THE PASQUINI PROPERTY

Director Vierheilg requested that Item D-7 be pulled for separate consideration.
 Director Harrison requested that Item D-4 and D-5 be pulled for separate consideration.
 Upon the motion of Director Winn and seconded by Director Eby, the Board unanimously approved Items D-1, D-2, D-3, and D-6. There was no public comment.
 Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Winn, Eby, Vierheilg, Nelson, and Harrison	None	None

RESOLUTION NO. 2010-1196

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
 THE NIPOMO COMMUNITY SERVICES DISTRICT
 APPROVING A REIMBURSEMENT AGREEMENT WITH SAN LUIS OBISPO COUNTY
 FOR CONSTRUCTION OF WILLOW ROAD PHASE 2 WATERLINE EXTENSION APPROVED ON AUGUST 11, 2010.**

Item D-4

Mike Nunley, AECOM, confirmed that AECOM USA, Inc., has changed its name to AECOM Technical Services, Inc. Jon Seitz, District Legal Counsel, confirmed the assignment of existing contracts.

Upon the motion of Director Winn and seconded by Director Vierheilg, the Board unanimously approved Item D-4. There was no public comment.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Winn, Vierheilg, Eby, Nelson, and Harrison	None	None

Item D-5

Don Spagnolo, General Manager, introduced item. Peter Sevcik, District Engineer reported on Task 1 and Task 2 of The Frontage Road Trunk Sewer Replacement Project Construction Documents. Mr Sevcik, answered questions from the Board.

Upon the motion of Director Eby and seconded by Director Winn, the Board of Directors approved Item D-5. There was no public comment.

Vote 4-1.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Winn, Vierheilg, Nelson,	Director Harrison	None

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

Item D-7

Don Spagnolo, General Manager, introduced item. Paul Sorenson, Principal Hydro Geologist for Fugro West Inc., reported on the Assessment of the Pasquini Property. Peter Sevcik, District Engineer and Mr. Sorenson answered questions from the Board.

The following member of the public spoke:

Collette A Hillier of Andre, Morris, & Buttery, Legal Counsel for Charles A Pasquini, Jr., (Pasquini Trust), read aloud a letter opposing the use of the Pasquini Property to pond water waste and submitted a hand-delivered letter to District Legal Counsel, Jon Seitz.

The Board made comments and suggestions on the proposed study site. Upon the motion by Director Eby and seconded by Director Vierheilg the Board approved funding for the proposed study.

Vote 3-2.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Vierheilg, Winn,	Directors Harrison, Nelson	None

The Board took a break at 10:50 a.m. and returned at 11:04 a.m.

E. ADMINISTRATIVE ITEMS

ITEM E-1 IS EXPECTED TO START AFTER 1:30 P.M.

E-2) CONSIDER AGREEMENT WITH SAN LUIS OBISPO COUNTY TO FORM ASSESSMENT DISTRICT TO FINANCE CONSTRUCTION OF THE WATERLINE INTERTIE PROJECT

Jon Seitz, District Legal Counsel, explained the proposed agreement between the District and the County of San Luis Obispo to form an assessment district. Jon Seitz, District Legal Counsel, answered questions from the Board.

The following member of the public spoke:

Vince McCarthy, NCSD customer, had concerns on the number of parcels in NCSD.

Mr. Seitz reviewed the agreement and answered questions from the Board.

Upon the motion by Director Eby and seconded by Director Vierheilg, the Board unanimously agreed to approve the agreement. There was no public comment.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Eby, Vierheilg, Winn, Nelson, Harrison	None	None

The Board considered Closed Session next.

J. PUBLIC COMMENT ON CLOSED SESSION ITEMS

There was no reportable action.

K. ADJOURN TO CLOSED SESSION

President Harrison adjourned to Closed Session at 12:05 p.m.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

L. OPEN SESSION**ANNOUNCEMENT OF ACTIONS, IF ANY, TAKEN IN CLOSED SESSION**

The Board came back into Open Session at 1:08 p.m.

Jon Seitz, District Legal Counsel, announced that the Board heard an update on the item listed above, but took no reportable action.

2:48:06

E-3) CONSIDER EMERGENCY WATER REGULATION DETERMINATION

Don Spagnolo, General Manager, introduced item. Jon Seitz, District Legal Counsel, answered questions from the Board. There was no public comment. The Board accepted presentation and directed Staff to send the item to the Water Conservation Committee.

3:06:44

E-1) CONSIDER DRAFT WATER FUND FINANCIAL ANALYSIS/RATE STUDY

Clayton Tuckfield, of Tuckfield Associates, presented the financial analysis and rate study. The Board discussed this item. Lisa Bognuda, NCSD Finance Director, and Mr. Tuckfield answered questions from the Board. There was no public comment.

Upon the motion of Director Winn and seconded by Director Eby, The Board unanimously approved the study, using Option 2.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Winn, Eby, Vierheilig, Nelson, and Harrison	None	None

3:58:41

E-4) CONSIDER APPOINTING ALTERNATE TO WATER RESOURCES ADVISORY COMMITTEE

Don Spagnolo, General Manager, recommended the General Manager be the Alternate to Water Resources Advisory Committee (WRAC). Jon Seitz, District Legal Counsel answered questions from the Board.

Upon the motion of Director Harrison and seconded by Director Eby, the Board unanimously appointed the General Manger as Alternate for Water Resources Advisory Committee. There was no public comment.

Vote 5-0.

YES VOTES	NO VOTES	ABSENT
Directors Harrison, Eby, Vierheilig, Winn, and Nelson	None	None

4:11:06

F. GENERAL MANAGER'S REPORT

Don Spagnolo, General Manager, reviewed the Manager's Report presented in the Board packet. Mr. Spagnolo answered questions from the Board. There was no public comment.

G. COMMITTEE REPORT

August 2, 2010 WIP Outreach Committee

August 9, 2010 Southland Upgrade Committee

August 9, 2010 Water conservation Committee

The report was as presented. There was no public comment.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
REGULAR MEETING
DRAFT MINUTES**

4:23:42

DIRECTORS REQUESTS TO STAFF AND SUPPLEMENT REPORTS

Director Eby

- ◇ Would like to agendize the consideration of lobbying in general, to include possibly terminating the contract with Van Scoyoc Associates.

Director Winn

- ◇ Would like a proportional breakdown of solid waste fees among the three benefits groups (those sewered at the WWTF on South Frontage, those in Blacklake Village, and those unsewered).
- ◇ Would like to develop a fats, oil, and grease education strategy for homeowners.
- ◇ Would like the NMMA TG to have a consistent process to deal with data voids.
- ◇ Would like the District to work with the county to add a new coastal monitor wells.
- ◇ Would like to negotiate the District street sweeping again.
- ◇ Would like to consider adopting a policy for placing Solar Systems on District Buildings.
- ◇ Would like a committee (Personal? Budget?) to develop proposals for a 2-tier personnel system, limiting District expenditures for new hires.
- ◇ Would like The Park Committee to meet within the next 2 to 3 weeks for the Miller Park.

Director Nelson

- ◇ Would like to compliment Staff on the Blacklake Well report.

ADJOURN

President Harrison adjourned the meeting at 2:55 p.m.

➤ **Next Regular Board Meeting is August 25, 2010**

SUBJECT TO BOARD APPROVAL

TO: BOARD OF DIRECTORS
FROM: DON SPAGNOLO
GENERAL MANAGER
DATE: AUGUST 20, 2010

AGENDA ITEM
D-3
AUGUST 25, 2010

CONFIRM CONFLICT OF INTEREST CODE

ITEM

Confirm Conflict of Interest Code [RECOMMEND ADOPTION].

BACKGROUND

The Political Reform Act ("PRA") requires state and local government agencies to adopt and promulgate a Conflict of Interest Code and designate positions that are required to file Statements of Economic Interests (Form 700) with the County Clerk's Office through the District's Secretary. A Conflict of Interest Code must contain the following three (3) basic components:

1. Language incorporating the Fair Political Practices Commission ("FPPC") Regulations, or the basic provisions required in Government Code Section 87302.
2. A list of the designated positions that make and/or participate in making governmental decisions.
3. Disclosure categories specifying financial interests that designated positions must disclose.

District Legal Counsel, Jon Seitz, has confirmed that there have been no changes to Government Code Section 18730 (attached as Exhibit "A" to Resolution 2010-xxx) since the last adoption of the Conflict of Interest Code on January 14, 2009, Resolution No. 2009-1115.

RECOMMENDATION

After Staff presentation, Director comment and public comment, Staff recommends that the Board of Directors adopt the attached Resolution.

ATTACHMENTS

- Resolution with Exhibits "A" and "B"

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010- XXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT VERIFYING
ITS BIENNIALL REVIEW AND RE-ADOPTION
OF ITS CONFLICT OF INTEREST CODE**

WHEREAS, the Nipomo Community Services District (herein "District") is a Local Governmental Agency formed and authorized to provide services within its jurisdiction, pursuant to Section 61000 et seq. of the California Government Code; and

WHEREAS, the District Board of Directors, by prior Resolution, adopted Regulation 18730 by reference as the District's Conflict of Interest Code; and

WHEREAS, the District Board of Directors reviewed its Conflict of Interest Code attached hereto as Exhibit "A" and "B" on August 25, 2010; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District does hereby resolve, declare, determine and order as follows:

1. The District readopts its Conflict of Interest Code by incorporating Regulation 18730, as amended from time to time, by reference, Exhibit "A" to this Resolution.
2. The District re-adopts Exhibit "B" to this Resolution to:
 - a. Designate officers and employees that are deemed to make, or participate in making of, decisions, which may have a material effect on a financial interest.
 - b. Designate disclosure categories for its designated officers, employees and consultants.

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS;

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the Nipomo Community Services District this 25th day of August, 2010.

James Harrison, President
Nipomo Community Services District
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Don Spagnolo
Secretary to the Board of Directors

Jon S. Seitz,
District Legal Counsel

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-xxx**

EXHIBIT "A"

CONFLICT OF INTEREST CODE

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-xxx

EXHIBIT "A"

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and
- (C) The filing officer is the same for both agencies.
Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.

(5) Section 5. Statements of Economic Interests: Time of Filing.

- (A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.
- (B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.
- (C) Annual Statements. All designated employees shall file statements no later than April 1.

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EXHIBIT "A"

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

1. File a written resignation with the appointing power; and
2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the

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most recent statement filed by the member pursuant to 2 Cal. Code Regs. section 18754.

- (D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

- (A) Investment and Real Property Disclosure. When an investment or an interest in real property³ is required to be reported, ⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

- (B) Personal Income Disclosure. When personal income is required to be reported, ⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);

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3. A description of the consideration, if any, for which the income was received;
 4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
 5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.
- (C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, 6 the statement shall contain:
1. The name, address, and a general description of the business activity of the business entity;
 2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).
- (D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.
- (E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.
- (8) Section 8. Prohibition on Receipt of Honoraria.
- (A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.
- Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

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This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$420.

- (A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

- (A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.
- (B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.
- (C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms

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EXHIBIT "A"

available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

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RESOLUTION NO. 2010-xxx

EXHIBIT "A"

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

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EXHIBIT "A"

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

- (A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- (B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- (C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or
- (E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-xxx

EXHIBIT "A"

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 and 2 Cal. Code Regs. sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91014. In addition, a decision in relation to which a violation of the

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-xxx**

EXHIBIT "A"

disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2010-XXX**

EXHIBIT "B"

CONFLICT OF INTEREST CODE

**DESIGNATED OFFICERS, EMPLOYEES AND CONSULTANTS
WITH DISCLOSURE CATEGORIES**

I. DESIGNATED POSITIONS

The persons occupying the positions listed below are hereby considered designated officers and employees and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

DESIGNATED POSITIONS:

- A. Members of the Board of Directors
- B. General Manager
- C. District Legal Counsel
- D. Assistant General Manager/Finance Director
- E. District Engineer
- F. District Utility Superintendent
- G. Certain Contract Consultants

II. DISCLOSURE CATEGORIES

- The disclosure categories for each of the above-designated positions (A) through (F) shall be those disclosure categories described in subparagraphs (A) through (E) of Section 7 of Regulation 18730 as follows:
 - A. Investments and Real Property Disclosure.
 - B. Personal Income Disclosure.
 - C. Business Entity Income Disclosure.
 - D. Business Position Disclosure.
 - E. Acquisition or Disposal During Report Period.
- The disclosure categories, if any, for consultants will be designated in their respective contracts.

TO: BOARD OF DIRECTORS

FROM: DON SPAGNOLO
GENERAL MANAGER



DATE: AUGUST 19, 2010

AGENDA ITEM D-4

AUGUST 25, 2010

AECOM CONTRACT AMENDMENT FOR WATERLINE INTERTIE PROJECT DESIGN

ITEM

Consider execution of an amendment to AECOM Waterline Intertie Project Final Design Agreement in the amount of \$136,712 for additional services required to complete design [RECOMMEND APPROVAL].

BACKGROUND

AECOM has completed the 90% design drawings for Bid Packages 2, 3, and 4. During the course of completing the work between the 60% design stage and the 90% design stage, AECOM performed additional work that is anticipated to reduce risk and save cost during construction by reducing unknown conditions faced by contractors during the bid process, thereby reducing the potential for change orders encountered during construction. Staff met with AECOM to discuss tasks that were beyond the original scope of services but are necessary to move forward with the project design and tasks that required more effort and time than was originally budgeted. Attached is the cost by AECOM to perform these tasks.

In addition, staff is working with AECOM to identify the estimated costs to finalize the design of the project including but not limited to developing the Operations Memorandum of Understanding contemplated by the Wholesale Water Supply Agreement with the City of Santa Maria, the Operations Plan that will be required by the California Department of Public Health, and interconnections with our partner purveyors. Although these are outstanding items that need to be addressed, these items were not included in the original scope of work. The design of the project has now progressed to a greater degree of completion so a scope of work and associated cost can be developed for these items. Staff anticipates presenting these items for Committee and Board consideration in September 2010.

FISCAL IMPACT

As of June 30, 2010, AECOM has billed the District for \$982,443.58 for design services for the project. Execution of the proposed amendment would increase the not-to-exceed expenditure limit from \$1,230,682 to \$1,367,394. With the proposed amendment, the remaining contract amount to be billed will be \$384,950.42. The FY 10-11 Budget includes \$500,000 in Supplemental Water Fund (Fund #500) for design services. Thus, sufficient funding is available in the current fiscal year.

RECOMMENDATION

Staff recommends that your Honorable Board the Board authorize the General Manager to execute an amendment in the amount of \$136,712 to the existing WIP Final Design Agreement.

ATTACHMENTS

AECOM Budget Revision Request #9 Dated August 19, 2010



AECOM
1194 Pacific Street, Suite 204
San Luis Obispo CA 93401

805.542.9840 tel
805.542.9991 fax

August 19, 2010

Don Spagnolo, PE
General Manager
Nipomo Community Services District
148 S. Wilson Street
Nipomo, CA 93444

Subject: Waterline Intertie Project Scope Amendment Request for Budget Revision #9

AECOM is submitting a scope amendment request for waterline intertie project (Budget Revision #9). The extra work items are arranged by the Bid Package the work was performed in. The work documented in this Budget Revision has been completed, but not billed for.

Cost Savings

The work performed by AECOM as documented in this Scope Amendment/Budget Revision Request is anticipated to save the District risk and cost during construction by reducing unknown conditions faced by Contractors during the bid process, including additional detail to aid the contractor during bidding; thereby, reducing the amount of change orders encountered during construction. AECOM estimates that the extra work requested in this budget revision will save the District approximately \$260,000 during the Construction Phase of the project.

The strengthened Front End Documents should reduce the incidence of change orders and extra work and give the Construction Administration and Management Team the tools necessary to reasonably manage the contractor's extra work and change orders. Better management tools for change orders and extra work, including how to handle defective work, could result in a potential project savings of one to three percent of the construction total.

Following is a detailed description of the services performed by AECOM in preparation for the 90% and Draft Final Design Submittals. It is AECOM's opinion that Bid Packages 2, 3, and 4 will not require additional full submittals prior to releasing the Bid Packages out to bid. Bid Package #1 is at the 60%+ level and will not be developed beyond this level until the assessment ballots have been mailed and the prequalification of bidders for the HDD work begins.

BID PACKAGE #1

Research and Documentation of Mining Rights in Santa Maria River

AECOM has been researching the extents and potential impacts the Troesh mining rights in the Santa Maria River could have on the pipeline. Research has focused on defining the actual areas currently permitted for mining, as well as the areas on the Biorn property that Troesh has mining rights. This work includes coordination with several parties including County Planning Staff, District

Staff and Consultants, District legal counsel, and representatives from Roxsand/ Troesh. The research is necessary to make design decisions to protect the pipeline from impacts that could be caused by surface mining in the river. The resulting design change is to widen the permanent easement to 100-ft wide from 30-ft wide, and AECOM recommends the District negotiate conditions for surface mining in the vicinity of the pipeline with the mining rights holder.

BID PACKAGE #2

Additional pothole work

Discoveries made during the late design phase and information obtained from the previous round of pothole work required additional potholes to identify utilities that are in potential conflict with the 12-in pipeline and appurtenance. Discovery of a fiber optic duct bank which was in conflict with the proposed pipeline alignment allowed AECOM to revise the alignment prior to construction. The locations of additional utility crossings were confirmed in the field, thereby reducing some construction phase risk to the District.

Construction phase cost savings of \$20,000.

Realign portions of Orchard to avoid fiber duct bank

A fiber optic duct bank was discovered during pothole work, requiring realignment and redesign of 800-ft of 12-in pipeline to avoid the fiber optic duct bank. The duct bank was not depicted on phone company record drawings.

Construction phase cost savings of \$15,000.

Amend Plans and Specifications to Include Arborist Requirements

AECOM added the tree protection and mitigation requirements to the construction plans as prepared by the District's Arborist. The tree protection plan is required by the EIR, and documents the condition of significant trees in the vicinity of the proposed work, as well as recommending methods to protect the trees.

Potential construction phase cost savings of \$70,000. (Potential cost from a claim for killing or extensively damaging one or more trees could result if trees are not protected during construction. The risk and cost associated with not protecting the trees identified could vary significantly.)

PRV Station Electrical and SCADA

Each PRV station required electrical and SCADA system design beyond the anticipated level. Items of concern that were not anticipated include: back-up power, flood switches, and SCADA antenna/PG&E coordination.

PRV Station Design

The site constraints for the PRV stations on Orchard Road, and on Frontage Road required additional work including design of a wooden retaining wall, piping to and from the PRV stations that cross roads and existing utilities (some of which require relocation) in the vicinity of the PRV stations, and encountered existing landscaping or structures that required additional effort to avoid.

The PRV station on Southland is tying into an existing water main that was much lower than anticipated requiring design changes to the PRV station and the 12-in main to accommodate the piping to the PRV Station.

Construction phase cost savings of \$7,000 (from potential change order during construction).

Caltrans Encroachment Permit Resubmittals

Caltrans requested several revisions to the plans on separate occasions, requiring resubmittal of the plans and specifications to Caltrans for review. In each case the revisions were new comments from Caltrans. The Encroachment Permit has been issued by Caltrans.

Front End Document Revision

The current round of submittals (90% and Draft Final) contain the third unique set of Front End Documents for the project, the District's standard front end documents are currently being used. The District standard front end documents are not geared towards major public works projects, and required extensive supplementing by AECOM. The supplements prepared by AECOM are designed to control costs during construction, with language on work directives and changes in the work, delays and definitions of delays, definition of roles of owner's representatives, and testing and control of work.

Potential construction phase cost savings of 1 to 3% of the construction phase cost.

BID PACKAGE #3

Jack and Bore Under 72-in Storm Drain

The first round of pothole work indicated that the water main would need to be routed under the existing 72-in storm drain crossing Blosser Road. Installing a casing is the only viable solution to meet the challenges of crossing the 72-in storm drain (on an angle) because of the depth of the work, the year round presence of storm water in the storm drain, and the necessity to conform with California Department of Public Health Separation Guidelines.

Construction phase cost savings of \$45,000. (The additional cost would be the result of paying for a jack and bore as part of a non-competitive change order.)

Additional Pothole Work

Discoveries made during the late design phase and information obtained from the previous round of pothole work required additional potholes to identify utilities that are in potential conflict with the 18-in pipeline and appurtenance. AECOM was unable to precisely locate the 42-in storm drain crossing, but the inlet and outlet were discovered, and the probable location was determined to be deep enough to allow the 18-in pipeline to cross above the 42-in storm drain.

Redesign Crossing at 48-in Storm Drain

Based on the additional pothole work, the 18-in pipeline design details were revised to show the pipeline crossing above the 42-in storm drain instead of below it.

Construction phase cost savings of \$15,000. (Potential increase in project cost if a deep trench crossing was designed and bid.)

Flow Control Vault Design, SCADA, Electrical

Issues surrounding who will own, operate, and maintain various pieces of the flow control and metering vault have required additional coordination with and conformation with City and District requirements for design and operation of the flow control and metering station.

Construction phase cost savings of \$13,000. (Extra costs in the form of change orders during construction.)

Property Research South of Levee

Conflicting information on who owned and has rights to a piece of property between the levee and Atlantis Drive required extensive research by AECOM and AECOM's subconsultants. The research indicates that North Preisker Ranch Inc., still owns the parcel in question, although there are easements granted to the City of Santa Maria and Santa Barbara County Water Conservation and Flood Control District. Santa Barbara County had requirements for the property that indicated they owned the parcel. Though not the property owners, SB County have easement rights that are being conformed to in the design documents. Additional easements will be required from North Preisker Ranch Inc. and are included in the easement descriptions.

BID PACKAGE #4

PG&E Coordination

Prepared for and attended a meeting with PG&E regarding electrical service at the Pump Station Site.

Chloramination systems

AECOM provided additional details for the chloramination systems to get more competitive bids from contractors. The additional work included preparing details and orientations for the tank nozzles, inlets, and outlets. The size of the well sites requires precise control of the layout to allow District staff adequate access for operation and maintenance of the systems. If the contractor's assumed nozzle orientations needed to be revised during construction it would result in a change order.

AECOM has also spent additional effort researching current state of the art residual monitoring and metering technology – many of the common meters have negative operating characteristics such as large volumes of discharge water from sampling, and/or slow reaction times to changing water quality. The resulting meter selection will make the chloramination system easier and less expensive to operate resulting in a better system for NCSD.

Construction phase cost savings of \$7,500 (\$1,500 per site).

Redesign Access Road from 20-ft wide to 16-ft wide

To keep the road construction costs down and to reduce the amount of property required to construct the road, the access road to the pump station was reduced from 20-ft wide to 16-ft wide, and the alignment shifted to keep the entire road on properties owned by Linda Vista Farms.

Construction phase cost savings of \$17,000.

Revise Site Grading

Shifting the tank site to acquire an additional 12.5-ft of property to protect the 25-ft wide well access easement for Linda Vista Farms required re-grading the tank and booster station site. The easement was supposed to be abandoned by Linda Vista Farms, but that may or may not be abandoned in time for the project. Concessions were made in the grading design to allow continued access to the easement from the access road.

Revise Design of Overflow System

Decreasing the size and depth of the onsite retention basin to meet the required onsite storage volume and to allow it to fit on the site, required redesigning the tank emergency overflow so that it would drain overland to the retention basin instead of flow inside a buried pipe.

Construction phase cost savings of \$8,000.

Onsite Storm Water System

Grading required for the tank and pump station site necessitated design of storm water swales and an onsite retention basin. AECOM researched County requirements and incorporated a storm water system to protect equipment and preserve the site.

Design of Electrical Room and Design of Pump Station HVAC System

A dedicated electrical room was added to the pump station building to allow for better heating and cooling of the electrical components, especially the VFDs which require significant cooling. Two HVAC systems with separate air conditioning units will allow the District to maintain independent temperatures in the electrical and pump rooms, thereby reducing the cost to cool the electrical components. Because of the amount of heat generated by the VFDs and pump motors, detailed HVAC plan sheets were prepared for the project, which was not anticipated in the original proposal.

Public lot Process and Meetings

AECOM and AECOM's subconsultant Wallace Group have attended several meetings with SLO County Planning staff to prepare the public lot application and address concerns and process requirements that the County Planning Department may have.

Realign Existing 12-in Watermain in Santa Maria Vista Road

A portion of the 12-in waterline at Santa Maria Vista Road and the pump station access road appears to be located outside of the offered road ROW. The configuration of the 12-in watermain and the location outside of the ROW required redesign of the 12-in watermain to relocate it to the ROW and to allow connection with the 24-in main from the pump station.

Construction phase cost savings of \$12,000 (eliminates a potential change order).

Driveway for Access to Well Easement

The access road and site grading decisions impact the ability of the easterly property owner to access the well easement on their property. AECOM designed a driveway at the end of the access road to maintain the property owner's access to this easement.

Construction phase cost savings of \$6,000 (eliminates a potential change order).

Reduce 24-in Watermain to 4-ft of Cover

The original waterline design was to have the 24-in main across the agriculture fields at 6-ft of cover based on the assumption that portions of the line would be outside of the road. Since this is no longer the case, the pipeline was redesigned at 4-ft of cover and located within the access road to reduce construction cost.

Construction phase cost savings of \$26,000.

Permit Fees

AECOM has accrued money to pay for permit fees that were to be directly reimbursed by NCSD. However, the permit fees were billed on regular invoices as other costs, without increasing the project budget to cover the fees. AECOM is requesting the project budget be increased by \$6,000 to cover the permit fees. See attached table of fees.

Property and Easement Preparation (by Wallace Group)

Wallace Group has requested additional budget to cover extra work performed on the project. The work includes revising the Tentative Public Lot Map, and preparing additional revisions to the legal descriptions for the temporary and permanent easements based on realignments and changes to easements.

Total Budget for Scope Amendment \$136,712, see attached budget for breakdown of fee.

Yours sincerely,



Mike Nunley, PE
Project Manager



Josh Reynolds, PE
Project Engineer

Attachments: Budget Revision #9
Wallace Group Scope Amendment

Nipomo Community Services District

AECOM

Waterline Intertie Project
Budget Revision #9

Project Budget

Nipomo Community Services District

Task Description	Personnel Hours					Budget				
	Principal Engineer	Senior Engineer	Associate Engineer	Drafter	Total Hours	Labor	General Project Expenses	Subconsultants	Permit Fees	Total Non-Labor
Other										
Permit fees					-	\$ -			\$ 6,000	\$ 6,000
Wallace Group					-	\$ -		\$ 13,284		\$ 13,284
					-	\$ -				\$ -
					-	\$ -				\$ -
					-	\$ -				\$ -
					-	\$ -				\$ -
Subtotal	46	163	176	490	875	\$ 108,730	\$ -	\$ 13,284	\$ 6,000	\$ 19,284
Total							\$ 8,698	\$ 13,284	\$ 6,000	\$ 27,982
										\$ 136,712

Personnel Category: \$/HR
Principal Engineer \$200.00
Senior Engineer \$160.00
Associate Engineer \$125.00
Drafter \$105.00

TO: BOARD OF DIRECTORS

FROM: DON SPAGNOLO
GENERAL MANAGER



DATE: AUGUST 20, 2010

AGENDA ITEM

D-5

AUGUST 25, 2010

CHECK SIGNING POLICY

ITEM

Check Signing Policy [Recommend approval]

BACKGROUND

The Board of Directors directed Staff to prepare a check signing policy that would require all checks to contain two signatures. At least one of the two signatures shall be a Director of the District.

Staff has prepared the attached Resolution for consideration.

FISCAL IMPACT

Not applicable.

RECOMMENDATION

Staff recommends that the Board adopt the attached Resolution.

ATTACHMENTS

- Resolution 2010-check signing policy

NIPOMO COMMUNITY SERVICES DISTRICT

**RESOLUTION NO. 2010-xxx
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ESTABLISHING THE DISTRICT'S CHECK SIGNING POLICY**

WHEREAS, the Nipomo Community Services District ("District") prior Check Signing Policy was established by contract with individual banks; and

WHEREAS, the District has been advised that banks no longer routinely monitor checks for signature authority; and

WHEREAS, California Government Code § 61045(g) provides:

"The Board of Directors shall adopt policies for the operation of the District, including, but not limited to, administrative policies, fiscal policies, personnel policies, and the purchasing policies required by this division"; and

WHEREAS, pursuant to California Government Code § 61045(g) the District desires to establish its own policy for signing checks.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

1. The Directors of the District, the General Manager and the Assistant General Manager are authorized to sign checks on behalf of the District.
2. All checks issued by the District shall contain two (2) signatures, one of which shall be a Director of the District.

Upon motion by Director _____, seconded by Director _____, on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

the foregoing resolution is hereby passed and adopted this 25TH day of August 2010.

JAMES HARRISON,
President of the Board of Directors

ATTEST:

APPROVED:

DON SPAGNOLO, General Manager
and Secretary to the Board

JON S. SEITZ
District Legal Counsel